

SSION Kansas Corporation Commission
/5/ David J. Heinemann

STATE CORPORATION COMMISSION

APPLICATION FOR CERTIFICATE OF CONVENIENCE AND AUTHORITY

David J. Harrison Docket Room

1. The full and correct name of the Applicant is Value-Added Communications, Inc.
2. Applicant's principal office address is 1601 North Collins Blvd., Richardson, Texas 78050 and its main telephone number is (972) 479- 19 19.
3. VAC is a Delaware corporation duly formed on October 25, 1988.
4. VAC is primarily involved in the provision of operator services. VAC also offers transaction processing services and is involved in telecommunications equipment manufacturing.
5. By the authority requested, VAC intends to provide operator services on a limited basis in the State of Kansas. VAC's current business plan is to provide telecommunications services to inmates incarcerated at federal correctional facilities located in Kansas. In addition to providing inmates of these facilities with operator services, VAC intends to provide such inmates with prepaid direct dial (1+) telecommunications services. At this time, VAC does not intend to offer services to the general public in Kansas and will limit its service offerings to federal correctional facilities. In the future, VAC foresees providing intrastate telecommunications services to

aggregator locations in Kansas. However, VAC's initial entry into the Kansas marketplace will be to serve the needs of federal correctional facilities.

6. For the reasons listed in Exhibit "A" attached, VAC requests that this Commission grant its Application expedited or streamlined treatment. In the alternative, VAC respectfully requests that it be granted interim or temporary authority on an expedited basis to begin provision of telecommunications services to federal correctional facilities.
7. VAC operates as a switchless reseller of telecommunications services and as such does not own or operate its own switching equipment or transmission facilities. VAC does not employ operators as most of the operator services provided by VAC are offered on an automated basis without intervention of a live operator.
8. VAC provides traditional operator services throughout the entire U.S. Most of these services are provided to the hospitality industry (hotels, motels and resorts). VAC also provides call processing and transaction processing services. VAC intends to enter into a subcontract with a major telecommunications company to provide telecommunications equipment and operator services to inmates held at federal correctional facilities throughout the U.S.
9. Applicant is duly qualified to provide the services under the authority requested. VAC has been providing quality operator services to the hospitality and correctional industries since 1988. VAC's management team is experienced in all aspects of telecommunications.
10. Applicant has the managerial and technical capability to provide the proposed services. Exhibit "B" to this Application includes a brief summary of Applicant's key management's history in the telecommunications and general business fields. Applicant's management team has extensive experience in telephony and the direct provision of telecommunications services to consumers.
11. VAC's customer service telephone number is (800) 777-9759.
12. Exhibit "C" to this Application includes information on VAC's officers and directors.

13. Exhibit “D” to this Application includes certified copies of VAC’s articles of incorporation as filed with the Delaware Secretary of State and a copy of VAC’s proof of foreign corporation status in the State of Kansas.
14. VAC does not render bills directly to end users. VAC utilizes the services of billing clearinghouses such as Integretel, Inc. and Zero Plus Dialing, Inc. to bill the charges for services rendered on the end user’s local telephone company statement. VAC will not enter into individual contracts for the provision of operator services with each federal correctional facility. The terms and conditions of these services are governed by the subcontract to be entered into between VAC and a major telecommunications company. When VAC intends to provide services to aggregator locations, it will duly submit a form of agreement to the Commission. VAC will not distribute materials to consumers in Kansas.
15. Exhibit “E” to this Application includes information on VAC’s capital stock and a list of its principal stockholders.
16. The financial statements requested by the Commission are found in Exhibit “F” to this Application.
17. An initial price list for the services to be offered by Applicant is attached hereto as Exhibit “G.”
18. The name, address and title of the person preparing this Application are:

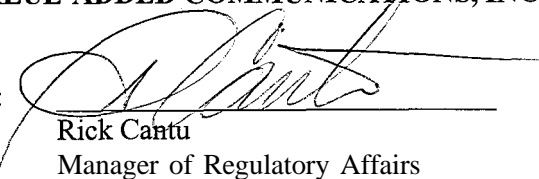
Rick Cantu
Manager of Regulatory Affairs
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San Antonio, Texas 78232 E-mail: cantur@tsc-comm.com
19. As VAC does not own or operate any facilities used to provide telecommunications services, it does not submit the name of a person in active charge of this function.
20. VAC intends to provide telecommunications services in full compliance with all applicable rules and regulations as set forth by the Commission.

WHEREFORE, Applicant respectfully requests that the Kansas State Corporation Commission grant it a Certificate of Convenience and Authority on an expedited fashion to provide Operator Services and Interexchange services within the State of Kansas. If expedited treatment cannot be given to its Application, VAC respectfully requests that it be granted interim or temporary authority to begin provision of telecommunications services on January 15, 1999 only to federal correctional facilities within the State of Kansas while its Application is in process.

Respectively submitted,

VALUE-ADDED COMMUNICATIONS, INC.

By:


Rick Cantu
Manager of Regulatory Affairs

*****OATH*****

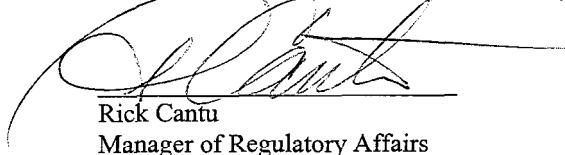
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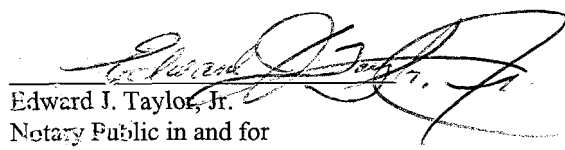
Rick Cantu, being duly sworn, deposes and says that he is the Manager of Regulatory Affairs of Value-Added Communications, Inc. and that the facts set forth in the foregoing report have been prepared under his/her direction, from the original books, papers and records of said company, that he has examined the same, and declares the same to be true and correct to the best of his knowledge and belief. Further, that Applicant has full knowledge of the State Corporation Commission's jurisdiction affecting providers of operator services and interexchange services and will comply with the applicable requirements of this Commission.

VALUE-ADDED COMMUNICATIONS, INC.


Rick Cantu
Manager of Regulatory Affairs

BEFORE ME, the undersigned authority, on this date personally appeared Rick Cantu and swore upon his oath that the facts recited in this verification are true.

SUBSCRIBED AND SWORN TO before me this 18th day of December, 1998.


Edward J. Taylor, Jr.
Notary Public in and for
The State of Texas

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a portion of the filing has not
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